

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices in the Delhi market traded lower at Rs. 3400/qtl as compared to yesterday evening, Kolhapur market too remained stable at Rs. 3275 per quintal.

The S&P Global Commodity Insights has reduced its sugar production estimates by 650,000 tonnes to 33.6 million tonnes for India which is down by around 2.1 million tonnes year on year.

The reduced production is expected from Maharashtra and some parts of Karnataka for a combined total of 1.15 million tonnes. This was partly offset by increases in production in Uttar Pradesh and small other states by 500,000 tonnes. Sugar output for 2022-23 until February is estimated at 25.7 million tonnes, higher 400,000 from the same time last year.

As per the market sources, sugar mills in Uttar Pradesh are likely to complete their cane crushing operation by 30th April 2023. Bisalpur mill and Kisan cooperative sugar mill will continue till March 20. Bajaj Hindusthan sugar mill, Maksudapur would complete crushing by March 3. Another sugar mill of the same group at Barkhera will operate till March 15. Dwarikesh sugar mill, Faridpur would operate till March 31 while Dalmia sugar mill Nigohi would operate till April 10.

According to National Federation of Cooperative Sugar Factories, Till 28th February 2023, Around 2653 lakh tonnes of sugarcane has been crushed which is 102 lakh tonnes more than last year. The sugar production was 260 lakhs tonnes, which is 7 lakh tonnes more than the production on this date last year. However, average sugar recovery was recorded at 9.78 percent.

Sugar Production as on 28th February 2023

S.No.	State	No. of Working Factories		Net estimated Sugar Production (without Diversion)		Estimated Sugar Diversion into ethanol		Actual Sugar Production (after Diversion)	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Uttar Pradesh	113	112	79.7	76.3	9.7	7.7	70.0	68.6
2	Maharashtra	180	197	104.2	104.4	9.0	7.2	95.2	97.2
3	Karnataka	52	60	60.0	57.1	8.8	6.3	51.2	50.8
4	Others*	122	115	42.2	37.1	1.0	0.7	41.2	36.4
Total		467	484	286.1	274.9	28.5	21.9	257.6	253.0
Difference		-17		11.2		6.6		4.6	

*Others include -Tamil Nādu, Gujarat, A.P., Telangana, Bihar, Punjab, Haryana, Rajasthan, M.P., Chhattisgarh, Uttarakhand & Odisha

Source- ISMA: unit-Lakh tonne

International Market

Sugar prices in Bangladesh have maintained an upward trend at both wholesale and retail level despite a reduction in import duty. After the reduction, the overall import cost of raw and refined sugar is expected to decline by Tk 6,500 and Tk 9,000 per tonne at the import stage, respectively. But despite that, the price of sugar remained higher by Tk 130 in the wholesale market. The price increase came amid continued supply shortage and a spike in demand for the kitchen item on the occasion of the Ramdan.

The National Board of Revenue (NBR), Bangladesh has withdrawn import duty on both raw and refined sugar. NBR has issued a notification to withdraw a 3,000 taka (about \$28) specific duty on the import of raw sugar and a 6000 taka duty on refined sugar per tonne with immediate effect. The regulatory duty on the import of sugar was also reduced to 25% from 30%.

Weather Forecast

Thunderstorms accompanied with lightning at isolated places over Bihar, Gangetic West Bengal, and with lightening & hail at isolated places over West Uttar Pradesh, Rajasthan, Chhattisgarh, Jharkhand, Telangana, and with lightening at isolated places over Odisha, Vidarbha, Coastal Andhra Pradesh, Yanam, and with lightning at isolated places over Jammu & Kashmir, Ladakh, Gigit-Baltistan, Muzaffarabad, East Uttar Pradesh, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Konkan, Goa, Madhya Maharashtra, Marathwada, Interior Karnataka, Tamil Nadu, Pondicherry, Karikal.

Jaggery:

Due to improved demand along with tight supply the jaggery prices in Uttar Pradesh has increased by Rs. 50-100 per quintal. Chaku prices at the Muzaffarnagar market is currently at Rs.3200 per quintal. Whereas arrivals are around 8000 bags.

Muzaffarnagar Stock Update Jaggery	Weekly Stock (Quintal)	
	13-Mar-23	13-Mar-22
Chaku	543422	564448
Rascut	38027	19219
Papdi	133749	76494
Khurpa	24898	21092
Total	970012	1013485
Surplus	43473	

Ethanol:

As per ISMA, the sugar diverted for ethanol production between October to February was highest at 28.5 lakh tonne as compared with 21.9 lakh tonnes during the same period in the preceding year.

World ethanol production in 2022 is estimated to have reached 109.4 billion liters, up from 104.6 billion liters in 2021. For 2023, ethanol output is expected to recover further, reaching 111.8 billion liters. Meanwhile ethanol consumption is expected to be at 104.2 billion liters in 2022, revised lower from 104.5 billion liters. Consumption in 2023 is expected to rise to 106.9 billion liters, driven by increases in India.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Wednesday, Feb 15th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
23-May	230315	20.64	20.7	20.39	20.5	-0.18	86,999	379,090	-4,883
23-Jul	230315	20.1	20.18	19.9	20	-0.17	48,319	233,164	3,960
23-Oct	230315	19.91	19.93	19.7	19.77	-0.16	26,035	125,844	1066
24-Mar	230315	19.88	19.93	19.74	19.79	-0.15	11,793	100,040	-923
24-May	230315	18.84	18.91	18.72	18.76	-0.15	1,861	27,393	227
24-Jul	230315	18.13	18.18	17.99	18.03	-0.14	780	23,618	229
24-Oct	230315	17.71	17.76	17.58	17.6	-0.16	523	18,900	64
25-Mar	230315	17.62	17.67	17.51	17.51	-0.16	401	13,251	257
Total Volume and Open Interest							177,180	931,374	266

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Wednesday, Mar 15th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-May	230315	580	583	577.1	580.4	-0.9	5,496	45,912	-862
23-Aug	230315	567.8	570	564.2	566.4	-2.2	2,906	20,786	376
23-Oct	230315	553.8	555.5	550.4	552.1	-2.7	976	11,574	196

23-Dec	230315	544.9	544.9	541.2	542.1	-2.8	244	7,038	-42
24-Mar	230315	535.2	535.9	534	535	-2.8	180	4,032	-7
Total Volume and Open Interest									

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			16-Mar-23	15-Mar-23	
Delhi	Delhi	M-Grade	3400	3420	-20
	Delhi	S-Grade	3380	3400	-20
Uttar Pradesh	Khatauli	M-Grade	3515	3515	Unch
	Ramala	M-Grade	3420	3420	Unch
	Dhampur	M-Grade Ex-Mill	3465	3465	Unch
	Dhampur	S-Grade Ex-Mill	3460	3460	Unch
	Dhampur	L-Grade Ex-Mill	3515	3515	Unch
Maharashtra	Mumbai	M-Grade	3606	3606	Unch
	Mumbai	S-Grade	3422	3422	Unch
	Nagpur	M-Grade	3400	3400	Unch
	Nagpur	S-Grade	3325	3325	Unch
	Kolhapur	M-Grade	3275	3275	Unch
	Kolhapur	S-Grade	3200	3200	Unch
Assam	Guhawati	S-Grade	3512	3512	Unch
Meghalaya	Shillong	S-Grade	3520	3520	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3740	3740	Unch
	Vijayawada	S-Grade (With Duty)	3700	3700	Unch
West Bengal	Kolkata	M-Grade	3850	3850	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3730	3730	Unch
	Coimbatore	M-Grade (DCA)	3840	3840	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3850	3850	Unch
Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)					

Jaggery (Gur) Prices at Key Spot Markets:

Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			16-Mar-23	15-Mar-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3250	3200	50
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	8000	13000	-5000
	Muzaffarnagar	Khurpa (Fresh)	2875	2900	-25
	Muzaffarnagar	Laddoo (Fresh)	3125	3125	Unch
	Muzaffarnagar	Rascut (Fresh)	2825	2813	13
	Hapur	Chaurasa	2600	NA	-
	Hapur	Balti	2780	NA	-
Karnataka	Bangalore	Mudde (Average)	NA	4850	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	3000	3000	Unch
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	4050	4000	50
	Mandya	Kurikatu (Medium)	3600	3600	Unch
	Mandya	Other (Medium)	3500	3700	-200
	Mandya	Yellow (Medium)	3880	3680	200
	Shimoga/Shivamogga	Achhu (Average)	NA	3600	-

INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		15-Mar-23	8-Mar-23	13-Feb-23	15-Mar-22	15-Mar-23
Mar-23	16.02	3788	3826	3927	3265	82.49
May-23	15.25	3696	3721	3646	3207	
Jul-23	14.23	3653	3676	3536	3198	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		15-Mar-23	8-Mar-23	13-Feb-23	15-Mar-22	15-Mar-23
Mar-23	16.95	4672	4687	4623	3995	82.49
May-23	25.13	4788	4793	4656	3826	
Aug-23	16.95	4672	4687	4623	3995	

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